

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
SHERMAN DIVISION**

|                        |   |                                  |
|------------------------|---|----------------------------------|
| IN RE:                 | § | Chapter 7                        |
|                        | § |                                  |
| DZS INC., <sup>1</sup> | § | CASE NO. 25-40712                |
|                        | § |                                  |
| DEBTORS.               | § | (Joint Administration Requested) |

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**TRUSTEE'S MOTION TO APPROVE AND AUTHORIZE  
PAYMENT OF VENDOR EXPENSES**

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**THIS MATTER HAS BEEN SET FOR AN EXPEDITED HEARING ON APRIL 28, 2025 at 1:30 PM. IF YOU HAVE ANY OBJECTIONS TO THIS MATTER BEING HEARD ON AN EXPEDITED BASIS OR THE RELIEF SOUGHT, THEN YOU NEED TO FILE AN OBJECTION BY FRIDAY, APRIL 25, 2025 OTHERWISE THE COURT MAY GRANT THE RELIEF SOUGHT.**

COMES NOW, Michelle H. Chow, Michelle H. Chow, Chapter 7 Trustee of the above-referenced cases, by and through her proposed counsel Singer & Levick, P.C, and files *Trustee's Motion to Approve and Authorize Payment of Vendor Expenses* (“**Motion**”) and, in support of same, would respectfully show the Court as follows:

**I.**

**JURISDICTION AND VENUE**

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b).
2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

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<sup>1</sup> The Debtors in these Chapter 7 cases, along with the last four digits of each Debtor's Federal Tax Identification Number, include: DZS Inc. (9099), DZS Services Inc. (3763) and DZS California Inc. (3221). The location of the Debtors' service address is: 5700 Tennyson Parkway, Suite 400, Plano, TX 75024.

## II.

### **FACTUAL AND PROCEDURAL BACKGROUND**

3. On March 14, 2025 (“**Petition Date**”), DZS Inc. (“**Debtor DZS**”), DZS Services Inc. (“**Debtor DZS Services**”) and DZS California Inc. (“**Debtor DZS California**”) (together “**Debtor**”) each filed a Voluntary Petition under Chapter 7 of Title 11 of the UNITED STATES CODE (“**Bankruptcy Code**”) commencing the above-captioned cases (“**Bankruptcy Cases**”).

4. Michelle H. Chow is the duly appointed Chapter 7 Trustee (“**Trustee**”) for each of the bankruptcy estates of DZS Inc., DZS Services Inc. and DZS California Inc. (“**Estates**”).

## III.

### **RELIEF REQUESTED**

5. On April 4, 2025, the Trustee filed the *Motion for an Order Approving Sale of Certain Property of the Estate Free and Clear of all Liens, Claims and Encumbrances and Assumption and Assignment of Executory Contracts and Leases* seeking Court approval for the sale of substantially all of the assets of the Debtors’ estates. As a part of the sale process, the prospective purchaser is continuing its due diligence efforts and there are other buyers as well who are needing access to information. As a result of the sale process, there are certain vendors who provide essential post-petition services that the Trustee needs to pay as part of this sale process.

6. These vendors include Mouri Tech (“**Mouri**”), which is the vendor who provides Microsoft services, and Lumen Technologies (“**Lumen**”), the internet provider, Mouri is owed \$25,000 for April 2025 services and, to the extent that the Trustee requires such services beyond the end of April, the Trustee seeks authorization to pay for the amounts owed for April of 2025 and any future months as necessary. Lumen is owed \$2,542.36 for March and April of 2025 and the monthly obligation is \$1,271.18. Furthermore, there are a few smaller vendors who also provide other IT

services, which are Verge.io (owed \$6500), AT&T owed (\$1841.77) and Arin (owed \$525.00)(“**IT Vendors**”). who the Trustee would also like authority to pay for both the current postpetition amounts and any future services to these providers beyond the end of April if required. In addition, to the extent that there are any *de minimis* amounts owed to any other critical vendors for the sale process, the Trustee seeks authority to pay such vendors up to the amount of \$5, 000 for each vendor (“**Vendors**”).

7. Pursuant to section 363 of the Bankruptcy Code, the Trustee seeks authority to pay Mouri, Lumen, the IT Vendors and other Vendors reimbursement of certain post-petition expenses incurred as an ordinary and necessary expense of the Estates which are necessary in the administration of the Estates and the sale process.

#### **IV.**

#### **PRAYER**

**WHEREFORE, PREMISES CONSIDERED**, Michelle H. Chow, Chapter 7 Trustee, prays that the Court enter an Order authorizing her to pay Mouri, Lumen, the IT Vendors and other Vendors reimbursement of certain post-petition expenses incurred as an ordinary and necessary expense of the Estates and for such other and further relief as she may show herself justly entitled.

**DATED: April 11, 2025**

Respectfully submitted,

SINGER & LEVICK, P.C.

By: /s/ Michelle E. Shriro  
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GENERAL COUNSEL FOR  
MICHELLE H. CHOW, CHAPTER 7 TRUSTEE

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing document has been electronically mailed to the parties that are registered or otherwise entitled to receive electronic notices in this case pursuant to the Electronic Filing Procedures in this District, which includes the parties as shown below; and to the parties on the attached Service List via first class mail, prepaid postage, on this 11<sup>th</sup> day of April, 2025.

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| <b><u>DEBTOR:</u></b><br>DZS Inc.<br>5700 Tennyson Parkway, Suite 400<br>Plano, TX 75024<br><b>VIA ECF Noticing through its attorney</b> | <b><u>ATTORNEY FOR DEBTOR:</u></b><br>Travis A. McRoberts<br>Baker Botts L.L.P.<br>2001 Ross Avenue, Suite 900<br>Dallas, TX 75201-1980<br><b>VIA ECF Noticing</b> |
| <b><u>TRUSTEE:</u></b><br>Michelle H. Chow<br>16200 Addison Road, Suite 140<br>Addison, TX 75001<br><b>VIA ECF Noticing</b>              | <b><u>US TRUSTEE:</u></b><br>Office of the US Trustee<br>110 N. College Ave., Suite 300<br>Tyler, Texas 75702<br><b>VIA ECF Noticing</b>                           |

/s/ Michelle E. Shriro  
Michelle E. Shriro